



# U.S. – China Relations



Addressing the first U.S.-China Strategic and Economic Dialogue, President Obama laid out a framework of his vision for another critical aspect of American foreign policy – the relationship with China, which he called "as important as any bilateral relationship in the world."

The President explained that today, perhaps in contrast to much of the last century, there is good cause to have optimistic ambitions for the future of the U.S-China relationship, and for the ability of the two countries to work together on issues of mutual concern.

**VIDEO** and **TRANCRIPT** of the President's speech

A Dialogue with China. The White House Blog. 27 July, 2009.

Remarks by the President at the U.S./China Strategic and Economic Dialogue

U.S. and Chinese Officials Describe Dialogue as "Unprecedented"

**U.S. Tells China Climate Change Is National Security Priority** 

U.S., China Share Goals at Strategic and Economic Dialogue

**U.S.-China Strategic and Economic Dialogue on DipNote Blog** 

## **State Department China Articles:**

- Happenings in U.S. China Relations
- China Background Notes January 2009
- <u>U.S.-China Relations: Maximizing the Effectiveness of the Strategic and Economic Dialogue</u> Statement before the House Committee on Foreign Affairs Subcommittee on Asia, the Pacific and the Global Environment. Washington, DC. September 10, 2009.
- <u>U.S. / China Officials Sign Conditions of Construction Agreement</u>. *U.S. State Department press release* August 20, 2009.
- Memorandum of Understanding to Enhance Cooperation on Climate Change, Energy and Environment Between the Government of the U.S. and the Government of the People's Republic of China. U.S. Department of State. July 28, 2009.

E-spotlight is a periodical publication compiled by the American Reference Center, U.S. Embassy, Wellington, NZ. This publication is a compilation of recent articles and reports from U.S. sources on a topic of current interest. Are underlined items are linked to the full text of an article online.

See **previous e-spotlight editions** on our website.

## **Articles**

Think Again: Asia's Rise by Minxin Pei. Foreign Policy. June 22, 2009.

Sustained, rapid economic growth since World War II has boosted the region's economic output and military capabilities. But it's a gross exaggeration to say that Asia will emerge as the world's predominant power player. At most, Asia's rise will lead to the arrival of a multi-polar world, not another unipolar one.

Can China Save the World? By Bill Powell. Time Magazine. August 10, 2009.

China and the U.S.: Competing for Political Influence by Ian T. Brown and Tao Wu. Gallup. May 2009.

This is the second in a two-part series on the race for global influence between China and the U.S. The **first part** assesses perceptions of Chinese economic strength and explores the growing gap between Chinese income in urban and rural areas. The second part presents approval ratings of Chinese and American leadership in more than 145 countries.

<u>Deng Undone: The Costs of Halting Market Reform in China</u> by Derek Scissors. *Foreign Affairs*. May/June 2009.

Driven by a near obsession with economic growth, Beijing has extended the state's reach into the economy. Instead of urging the Chinese government to resume extensive market reforms, Washington should encourage it to focus on a narrow range of feasible measures.

Shaping the Choices of a Rising China: Recent Lessons for the Obama Administration. Washington Ouarterly.

'Chimerica' is Headed for Divorce by Niall Ferguson. Newsweek. August 15, 2009.

<u>China's New Think Tanks: Where Officials, Entrepreneurs, and Scholars Interact</u> by Cheng Li. *Brookings Institute.* Summer 2009. <u>SUMMARY</u>

<u>Geithner's Rebalancing Bid. Brief analysis</u> by Lee Hudson Teslik. *Council on Foreign Relations*, June 1, 2009.

Timothy Geithner, in his first trip to China as U.S. treasury secretary, presented a plan for the United States and China to work together in a **speech at Peking University**.

**A Guide to U.S.-China Climate Cooperation**. By William Chandler. *Carnegie Endowment for International Peace*, May 26, 2009.

The End of the Big Business-China Love Affair by Justin Fox. Time. June 08, 2009.

<u>Uighurs and China's Xinjiang Region</u> by Preeti Bhattacharji. *Council on Foreign Relations*. July 6, 2009.

As China transforms the economy, politics, and demographics of Xinjiang, Uighurs accuse China of engaging in imperialism.

China Security Build-up Foreshadows Large-Scale Crackdown. Human Rights Watch. July 10, 2009.

Since the violence erupted in Urumqi, the regional capital, on July 5, 2009, following what appeared to be initially a peaceful protest organized by Uighur students, the government has proceeded to deploy at least 20,000 troops in and around the city. National and regional authorities have also announced that they will seek the death penalty for protest organizers and those who committed violence. "The government has promised a thorough investigation into the violence but has so far presented a skewed and incomplete picture of the unrest," said Sophie Richardson, Asia advocacy director at Human Rights Watch. "This raises serious doubts about its commitment to investigating all aspects of the violence rather than presenting a pre-determined version of the events."

Dams in China Turn the Mekong into a River of Discord by Michael Richardson. Yale Global. July 16, 2009.

The Mekong, one of the world's major rivers, starting in Tibet and flowing through south China, Burma, Thailand, Laos, Cambodia, and Vietnam, provides sustenance through irrigation and fishing to those living in its basin. But it also provides hydroelectric power through dams, three of which were built in China and with more planned. And it is precisely these dams that are now threatening the water supply, the livelihood of those living downstream, and the relations between China and its southern neighbors, according to the author.

China: Tiananmen's Unheld Wounds. Human Rights Watch. May 13, 2009.

Twenty years after the Chinese army killed untold numbers of unarmed civilians in Beijing and other cities on and around June 3-4, 1989, the Chinese government continues to victimize survivors, victims' families, and others who challenge the official version of events, according to the report.

The Tiananmen Legacy

## **U.S. Government reports and articles**

<u>Imports from China and Food Safety Issues</u> by Fred Gale and Jean C. Buzby. *Economic Research Service, U.S. Department of Agriculture*. July 6, 2009.

The U.S. Food and Drug Administration's (FDA) increased attention to food imports from China is an indicator of safety concerns as imported food becomes more common in the United States. U.S. food imports from China more than tripled in value between 2001 and 2008. Addressing safety risks associated with these imports is difficult because of the vast array of products from China, China's weak enforcement of food safety standards, its heavy use of agricultural chemicals, and its considerable environmental pollution.

**How Tightly has China Embraced Market Reforms in Agriculture?** By Free Gale et al. *U.S. Department of Agriculture*. May 21, 2009.

Situations like the 2008 soybean incident and the slowdown in food exports may be a foreshadowing of a crossroad China's policymakers are approaching. Pressure from the global market could induce authorities to go further in reforming agricultural institutions to improve international competitiveness. Alternatively, global market pressures could induce China to turn inward again by adopting protectionist measures that shield farmers and preserve the current system.

Country Analysis Brief: China. Energy Information Administration. July 2009.

Despite the economic slowdown in exports and domestic demand in the past year, China's demand for energy remains high. China has emerged from being a net oil exporter in the early 1990s to become the world's third-largest net importer of oil in 2006. Natural gas usage in China has also increased rapidly in recent years, and China has looked to raise natural gas imports via pipeline and liquefied natural gas (LNG). China is also the world's largest producer and consumer of coal, an important factor in world energy markets.

**U.S.** Secretary of the Treasury Timothy Geithner names additions to U.S. economic and financial leadership team for China. U.S. Dept of the Treasury. June 1, 2009.

#### **Congressional Research Service (CRS) Reports**

China-U.S. Trade Issues by Wayne M. Morrison. Congressional Research Service. June 23, 2009.

<u>China-U.S. Relations: Current Issues and Implications for U.S. Policy</u>. Congressional Research Service, updated July 10, 2009.

<u>Human Rights in China: Trends and Policy Implications</u> Congressional Research Service. updated July 13, 2009.

<u>China's Holdings of U.S. Securities: Implications for the U.S. Economy</u> Congressional Research Service. updated July 30, 2009.

## **International Relations**

<u>China-Taiwan Relations</u> by Youkyung Lee . *Council on Foreign Relations*. August 10, 2009.

Taiwan, whose leaders continue to talk about independence, remains a focal point of Chinese military modernization.

<u>China's International Behavior: Activism, Opportunism, and Diversification</u> by Evan S. Medeiros. *Rand Corporation.* 

The G-2 Mirage: Why the United States and China Are Not Ready to Upgrade Ties by Elizabeth C. Economy and Adam Segal. Foreign Affairs. May/June 2009.

A heightened bilateral relationship may not be possible for China and the United States, as the two countries have mismatched interests and values. Washington should embrace a more flexible and multilateral approach.

## **Economy**

**Effects of the Financial Crisis on the U.S.-China Economic Relationship** by Eswar S. Prasad. *Cato Journal*, Spring-Summer 2009.

<u>China to the Rescue: Growing out of the Financial Crisis</u> by Joergen Oestroem Moeller. *Yale Global*. July 28, 2009.

The global financial crisis is far from over even if the declines in the economic data have slowed. So the next question is how to pull the world out of its current malaise? For Prof. Joergen Oerstroem Moeller the answer is clear: stimulate global demand. Unfortunately, the big drivers of demand growth in the past – primarily the US, but also Japan and Europe – each face major hurdles sufficiently large to suppose they won't be the engines of growth in the immediate future. On this analysis, Moeller recommends looking primarily to China.

China Tries to Wriggle Out of the US Dollar Trap by Wenran Jiang. Yale Global. April 2009.

By diversifying into resources and using financial instruments, China attempts to reduce its US dollar exposure.

**The U.S.-China Strategic and Economic Dialogue** by Charles Freeman. *Center for Strategic & International Studies*. 17 July 2009.

The U.S. and China will convene the first annual joint Strategic and Economic Dialogue in Washington on July 27–28. Secretary of State Clinton and Treasury Secretary Geithner will lead the U.S. delegation. Vice Premier Wang Qishan and State Councilor Dai Bingquo will lead the PRC delegation.

No recommendation is made in respect of non-U.S. Government web sites and publications listed.

The U.S. Department of State assumes no responsibility for the content and availability of the resources listed above. All Internet links were active at September 11, 2009.

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